

MOUNTAINLAND CDBG POLICIES

2008 Program Year

(July 2007)

The following policies have been established to govern the MAG CDBG award process so that HUD dollars are targeted toward projects of greatest need and impact, and to determine project eligibility under CDBG federal and state program guidelines. All eligible project applications will be accepted for rating and ranking. The CDBG program is a tool that may be available to assist jurisdictions to meet priority project needs; however, jurisdictions retain responsibility to secure project funding.

1. In compliance with the policies of the State of Utah CDBG program, in order to be eligible for funding consideration, all grantees or sub-grantees must have expended 50% of any prior year's CDBG funding prior to the RRC's rating and ranking session (generally mid-January).
2. Applicants must provide written documentation of the availability and status of all other proposed funding at the time the application is submitted, including all sources of funding which are considered local contributions toward the project and its administration. A project is not mature if funding cannot be committed by the time of pre-application.
3. All proposed projects must be high on the latest capital improvements list submitted by the applicant for the Consolidated Plan, and must meet the regional priorities identified in the Consolidated Plan. First time applicants and those submitting projects through a sponsoring city or county must make reasonable effort to amend the sponsor's listing in MAG's Consolidated Plan in a timely manner as determined by the RRC.
4. To maintain project eligibility, attendance at one of the annual "How to Apply" Workshops held in the Mountainland Region is mandatory for all applicants and sub-grantees. The project manager and an elected official from the applicant's jurisdiction should be in attendance. Two workshops will be scheduled in the county area designated for first round funding consideration (see paragraph 5. below), and a third workshop will be scheduled in the alternate county area. Newly elected officials and project managers are especially encouraged to attend since the administrative requirements and commitments of a CDBG project are considerable.
5. First round project consideration will be rotated throughout the region as follows:

<u>Program Year</u>	<u>First Round Funding Consideration</u>
2008	Utah County Jurisdictions
2009	Wasatch/Summit County Jurisdictions
2010	Utah County Jurisdictions

Projects submitted from eligible jurisdictions that are outside of the designated area for first round consideration will be eligible for funding consideration in the second round. First round consideration means that funds will be allocated to projects from the designated county area based upon ranking. If there are still funds remaining in the regional allocation pool after the first round, funds will be allocated to projects outside the designated county area based on ranking until all funds are allocated. There is no established cap or matching fund requirement for application eligibility; however, applicants are encouraged to seek additional sources of funding to leverage CDBG dollars as far as possible.

6. HUD regulations provide that no more than 15% of the State CDBG allocation can be used for "Public Service" activities. It is MAG's intent to generally apply that same cap to the regional allocation. Consideration of any exceptions will be coordinated with the State and will be based upon impact to the state-wide cap.
7. The state will allow a set aside for MAG regional program administration and planning at 15% of the regional allocation. Within this guideline, the actual amount of funding allocated to the AOG for regional program administration and planning will be determined by the RRC.

8. The RRC may establish a set aside for project applications in a broad category on an annual basis based on regional needs identified in the MAG Consolidated Plan (i.e., planning, housing, infrastructure, economic development, public service, etc.). For any such set aside(s) that may be established, the RRC will provide notification to eligible jurisdictions of the type and amount of the set aside(s), and rating and ranking policies to be applied, prior to the commencement of the application process, usually in August of each year. There is no specific set aside identified for project applications received in the FY2008 program year.
9. Projects which are primarily designed to enhance private businesses or developers will be denied. Ownership of CDBG funded improvements must remain in the public domain.
10. Mountainland Association of Governments may provide application assistance at the request of any jurisdiction. Technical assistance provided prior to the award of the contract, such as filling out applications, submitting information for the Consolidated Plan, LMI surveys or public hearings, shall be provided without cost to the applicant provided the AOG has the needed resources available. Administrative functions outside the realm of minor brief technical assistance after grant award shall be on a fee for service basis.
11. RRC and MAG staff review of all applications will proceed as follows:
 - a. MAG staff will review all pre-applications with the State CDBG staff to determine eligibility and national objective compliance.
 - b. RRC members will review all pre-applications that are determined eligible.
 - c. All applicants will be invited to make a presentation to the RRC and MAG staff to summarize the project and to answer questions. Two representatives of the sponsor may make a short presentation (10 minutes), and will then be asked about any aspects of the application or project which might need further clarification, including prioritization of multiple applications, status of local matching funds, and justification of the design and costs.
 - d. RRC members will rate and rank projects.
 - e. The RRC determines final rating and ranking of projects and funding allocations. This information is provided to Executive Council.
12. Funding will be awarded based on project ranking. The RRC may award a lower amount of funding than the application request based upon project needs and ability of the jurisdiction to complete the project, including consideration of project planning (is the community prepared to implement the project), project timing (when will the project begin), project phases (can the project be completed in phases), supplemental funding (timing and availability of matching funds), jurisdiction commitment to the project, demonstrated need for the project in the community weighted against project needs for other communities.
13. Multi-year funding for projects will generally not be awarded, unless a specific request for multi-year status is received from the project applicant based on defined project needs, and the amount and timing of future funding available can be adjusted to meet such a request.
14. Previously allocated funds that become available to the region will be reallocated by the RRC. Possible distribution could be to the next highest ranking project, to be spread over some or all funded projects, to be rolled over into the next annual allocation, to be included in MAG's grant for the benefit of all jurisdictions, or by some other means.
15. Any appeal of the Mountainland CDBG review process and/or funding allocations will follow the State Regional Appeal Procedure.
16. Emergency Projects: An emergency project is defined as one that addresses a detriment to the health, safety and/or welfare of residents. For any critical project that meets this definition, a jurisdiction may submit an application for emergency CDBG funding outside the normal allocation cycle.
 - a. The application must be made utilizing the state's application form for the most recent funding cycle, and by holding a public hearing. All emergency applications must meet CDBG program requirements, and the Mountainland CDBG policies defined herein, including meeting minimum matching requirements, if any (see Paragraph 5).

- b. AOG staff will review the application for eligibility and consistency with the Consolidated Plan.
 - c. The RRC will review the project application, including the jurisdiction's capacity to meet funding needs.
 - d. If the RRC recommends the application to the State Policy Committee, the state staff will review the application to ensure the project meets program eligibility and national objective compliance. The state reserves the right to reject or amend applications that do not meet these threshold requirements.
 - e. The state will permit applications of up to \$500,000 for emergency projects. The State Policy Committee will make the final review and funding determination on all emergency projects.
 - f. Any emergency funds distributed to projects in the region will be deducted from the region's allocation during the next funding cycle. Therefore, any emergency funds awarded to a jurisdiction will be considered as a funded project in the next funding cycle. Policies on second round funding will be applied as outlined in Paragraph 5.
 - g. Additional information on the Emergency Fund program is available in the Application Procedures and Policies handbook developed annually by the state in Section II, Funding Processes.
17. Membership on the RRC is by appointment of the Chairman of the Executive Council with annual ratification by the full Council. RRC membership will include at least one representative from each county. One member of the RRC will be appointed to sit on the State CDBG Policy Committee. RRC members representing jurisdictions that are submitting applications must abstain from ranking their applications.
18. MAG CDBG Rating and Ranking Policies are updated annually by MAG Staff and the RRC, with consideration given to guidance from the State CDBG Policy Committee and/or State CDBG Staff. The MAG Executive Council has final review and is responsible to adopt the MAG CDBG Policies and Rating and Ranking System.

2008 MOUNTAINLAND CDBG RATING AND RANKING SYSTEM

NOTE: Underlined Criteria are required by the State of Utah.

1. PERCENT OF THE APPLICANT'S TOTAL POPULATION DIRECTLY BENEFITTING FROM THE PROJECT. (5 POINTS)

Regardless of size, the applicant jurisdiction is given greater priority for projects that benefit the highest proportion of the applicant's total population. Direct benefit will result from the project for:

More than 2/3 of the applicant's total population	5 points
1/3 to 2/3 of the applicant's total population	3 points
Less than 1/3 of the applicant's total population	1 point

2. PERCENT OF THE JURISDICTION'S LMI POPULATION DIRECTLY BENEFITTING FROM THE PROJECT (for site-specific or city/county-wide projects). (5 POINTS)

Points are awarded to applicants serving the highest percentage of their LMI population.

A substantial proportion of LMI served (more than 2/3)	5 points
A moderate proportion served (1/3 to 2/3)	3 points
A small proportion served (less than 1/3)	1 point

OR

PROJECT SERVES A LIMITED CLIENTELE GROUP (presumed to be 51% LMI) OR TARGETED LMI GROUP (100% LMI).

Points are awarded to limited clientele activities that serve a HUD presumed LMI group (abused children, elderly, disabled, homeless, etc.), a documented low income group (LMI income certification required for program eligibility), or activities that serve a targeted LMI group, where benefit is provided exclusively to LMI persons based upon their income eligibility (example: construction of new housing whose occupancy is limited exclusively to LMI individuals or families).

Project serves a limited clientele or targeted LMI group as defined by HUD	3 points
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3. POINTS ARE AWARDED TO PROJECTS WHICH SERVE LOW INCOME (defined as 50% of the County Median Income) AND VERY LOW INCOME (defined as 30% of the County Median Income) BENEFICIARIES AS DOCUMENTED BY SURVEY. (5 POINTS)

Points are awarded to projects whose direct beneficiaries are low or very low income as follows:

25% or more of the direct beneficiaries are low or very low income	5 points
20-24.9% " " " " " "	4 points
15-19.9% " " " " " "	3 points
10-14.9% " " " " " "	2 points
1 - 9.9% " " " " " "	1 point

4. LOCAL DOLLARS INVESTED IN THE PROJECT. (5 POINTS)

Points are awarded to applicants investing local (city/county) dollars in their own projects, thus leveraging regional CDBG funding. Local contribution must be documented, and includes bonded indebtedness that is directly attributable to a proposed project. Points are awarded based upon the following scale:

Population	5 Points	4 Points	3 Points	2 Points	1 Point
< 1,000 population	> 10%	7.1% – 10%	4.1% – 7.0%	2.1% – 4.0%	<2%
1,001 to 10,000	> 20%	14.1% – 20%	8.1% – 14%	2.1% – 8%	<2%
> 10,000 population	> 30%	20.1% – 30%	10.1% – 20%	2.1% – 10%	<2%

5. AMOUNT OF OUTSIDE PROJECT LEVERAGING BY THE APPLICANT. (5 POINTS)

Points are awarded to applicants who are able to use CDBG dollars to leverage other private, state or federal funds. Leveraging is based on outside funds committed that are currently available.

Outside funding is 80% or more of the total cost	5 points
Outside funding is 60-79% of the total cost	4 points
Outside funding is 40-59% of the total cost	3 points
Outside funding is 20-39% of the total cost	2 points
Outside funding is 1-19% of the total cost	1 point

6. TYPE OF JOBS CREATED OR RETAINED: PERMANENT OR CONSTRUCTION. (5 POINTS)

The type of actual jobs created or retained as a result of the project is evaluated as follows:

Permanent full time jobs created or retained	5 points
Temporary jobs only	2 points

7. THE CAPACITY OF THE GRANTEE TO CARRY OUT THE PROJECT. (5 POINTS)

Points will be awarded on a scale of 1-10 to grantees who have previously demonstrated the ability to successfully administer and carry out a CDBG project, or to new grantees who have administered other grants in the past and demonstrated an understanding, capacity and desire to successfully administer a CDBG project.

Previous Performance (Rated by State CDBG Office)	1-5 Points
OR	
No Previous Experience	3 Points

8. POINTS ARE AWARDED TO APPLICANTS (not project sponsor) BASED ON AMOUNT OF FUNDING RECEIVED IN PRIOR YEARS (7 POINTS)

Applicant has not received funding in the last two years	7 Points
Applicant received less than \$150,000 in last two years	4 Points
Applicant has received from \$150,000 to \$299,999 in last two years	2 Points
Applicant has received more than \$300,000 in last two years	0 Points

9. APPLICANT PARTICIPATION IN THE FOLLOWING STATE PROGRAMS: 21ST CENTURY COMMUNITIES, QUALITY GROWTH COMMISSION, AND/OR HB 295 MODERATE INCOME HOUSING PLANNING BY THE APPLICANT OR ITS SPONSOR. (5 POINTS)

Points are awarded by the RRC depending upon the applicant's or sponsor's level of commitment and progress to some or all of these programs.

21st Century and/or Quality Growth Program

Designation	2 Points
In Process	1 Point

Housing Plan

Adopted	3 Points
Completed	2 Points
In Process	1 Point

10. **PROJECTS WHICH SUPPORT AFFORDABLE HOUSING FOR LMI. (5 POINTS)**

The majority of project funds will be used to improve, expand, or support low income housing education, choice, availability, affordability, or opportunity.

Projects benefiting 10 or more units or individuals	5 Points
Projects benefiting 5-9 units or individuals	3 Points
Projects benefiting 1-4 units or individuals	1 Point

11. **ATTENDANCE BY AN ELECTED OFFICIAL OF THE APPLICANT AT THE "HOW TO APPLY" WORKSHOP. (3 POINTS)**

Points are awarded to applicants with an elected official in attendance 3 Points

12. **JURISDICTION PARTICIPATED IN UPDATING THE CONSOLIDATED PLAN. (5 POINTS)**

Points are awarded to applicants who participate in the process of updating the 2008 Consolidated Plan. 5 Points

13. **PROJECT MEETS COUNTY-LEVEL PRIORITIES IDENTIFIED IN THE CONSOLIDATED PLAN PRIORITIES (10 POINTS)**

Points are awarded to projects that meet the county-level priorities identified in the 2008 Consolidated Plan.

First Priority	10 Points
Second Priority	7 Points
Third Priority	4 Points

14. **PRIORITY WILL BE GIVEN TO PROJECTS THAT ARE MATURE AND HAVE A DEMONSTRATED ABILITY TO SOLVE THE PROBLEM. (15 POINTS)**

A mature project exhibits a specific and detailed scope of work, a time line, a well thought out funding plan with supplemental funding already applied for and committed, and a detailed engineer's cost estimate. Immediate viability of the project means CDBG dollars can be spent in a timely manner.

- a. The problem or need is clearly identified in application; applicant is able to present project clearly and concisely and can respond to questions; staff and/or engineer, etc., are involved in and understand the planning process. 1-3 Points
- b. Proposed solution is well defined in Scope of Work and is demonstrated to solve the problem or need. 1-3 Points
- c. Project has been specifically identified as a priority in the jurisdiction's budget and/or capital improvements list of the Consolidated Plan. 1-3 Points
- d. Applicant has documented identified matching fund sources and/or has documented efforts to locate alternative funding sources. 1-3 Points
- e. Applicant can demonstrate time line for project completion during grant period, and can give concise description of how the project will be completed in a timely manner. 1-3 Points

15. THE RELATIVE NEED AND CRITICAL NATURE OF THE PROJECT. (15 POINTS)

Points are awarded to projects where the need is great and the problem being addressed is of a critical nature. Points are awarded following applicant interviews on the following scale (categorized by CDBG eligibility guidelines):

INFRASTRUCTURE, PUBLIC FACILITIES, ADA Projects

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| Project addresses immediate threat to public health, safety or ability to provide basic services, and/or project solves a critical need . | 11-15 Points |
| Project will resolve moderate threat to public health, safety or ability to provide basic services, and/or project solves a moderate need . | 6-10 Points |
| Project meets some need and/or provides community enhancement without strong urgency, and/or project is desirable and will enhance quality of life. | 0-5 Points |

OR

PLANNING, ENGINEERING STUDIES, ECONOMIC DEVELOPMENT

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|---|--------------|
| Project addresses immediate threat to public health, safety or ability to provide basic services, and/or project solves a critical need , and/or project is necessary to initiate or to continue essential programs or services. | 11-15 Points |
| Project will resolve moderate threat to public health, safety or ability to provide basic services, and/or project solves a moderate need , and/or project will provide implementation or continuation of a needed program. | 6-10 Points |
| Project meets some need and/or provides community enhancement without strong urgency, and/or project is desirable and will enhance quality of life, and/or project will provide implementation or continuation of a desired program. | 0-5 Points |

OR

HOUSING RELATED

- | | |
|---|--------------|
| Project solves a critical need , and/or project is necessary to initiate or to continue essential programs or services, and/or project serves a population with critical unmet needs. | 11-15 Points |
| Project solves a moderate need , and/or project will provide implementation or continuation of a needed program, and/or project services an underserved population that may have access to other resources. | 6-10 Points |
| Project is desirable and will enhance quality of life, and/or project will provide implementation or continuation of a desired program, and/or project is an enhancement of existing services available to a targeted population. | 0-5 Points |

OR

PUBLIC SERVICE

- | | |
|---|--------------|
| Project solves a critical need , and/or project is necessary to initiate or to continue essential programs or services, and/or project serves a population with critical unmet needs. | 11-15 Points |
| Project solves a moderate need , and/or project will provide implementation or continuation of a needed program, and/or project services an underserved population that may have access to other resources. | 6-10 Points |
| Project is desirable and will enhance quality of life, and/or project will provide implementation or continuation of a desired program, and/or project is an enhancement of existing services available to a targeted population. | 0-5 Points |

UNDER THIS SYSTEM, A MAXIMUM OF 100 POINTS ARE POSSIBLE.